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Hearing Date: November 5, 2012
Hearing Time: 11:00 a.m.
Objection Deadline: September 28, 2012
at 5:00 p.m.

Attorneys for Iron Mountain Information Management, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

Chapter 11

RESIDENTIAL CAPITAL, LLC, et al.,

Case No. 12-12020 (MG)
(Jointly Administered)

Debtors.

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**IRON MOUNTAIN INFORMATION MANAGEMENT, INC.'S
RESERVATION OF RIGHTS AND LIMITED OBJECTION TO
NOTICE OF (I) DEBTORS' INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY
AND UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY
AND (II) CURE AMOUNTS RELATED THERETO**

TO THE HONORABLE MARTIN GLENN,
UNITED STATES BANKRUPTCY JUDGE:

Iron Mountain Information Management, Inc. ("Iron Mountain"), by its undersigned counsel, respectfully submits this reservation of rights and limited objection (the "Limited Objection") to the *Notice of (i) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto* [Docket # 924] (the "Notice")¹.

In support of this Limited Objection, Iron Mountain states as follows:

1. Pursuant to the Notice, the Debtors² seek to establish the cure amounts for the

¹ Capitalized terms used herein but not defined shall have the meaning ascribed to such terms in the Notice.

² The names of the Debtors in these cases are identified on Exhibit 1 to the *Affidavit of James Whitlinger*,

executory contracts and unexpired leases that have been designated as Assumed Contracts in connection with the sale of the Purchased Assets pursuant to the Asset Purchase Agreement by and between Nationstar Mortgage LLC and certain of the Debtors.

2. Iron Mountain submits this Limited Objection as it lacks sufficient information to determine which of the contracts between the Debtors and Iron Mountain the Debtors are seeking to assume and assign in connection with the sale to Nationstar Mortgage LLC. Further, Iron Mountain objects to the scheduled cure amounts for “contracts” with Iron Mountain as set forth in the Notice as the cure amounts have been scheduled as \$0.00, Iron Mountain cannot identify or confirm which of the accounts associated with the Debtors are being assumed and assigned, and its books and records reflect a possible cure amount of at least \$696,221.24 (*i.e.*, prepetition: \$204,448.70; postpetition: \$491,772.54) for all accounts currently identified as being associated with the Debtors.

BACKGROUND

3. On May 14, 2012, the Debtors filed voluntary petitions for relief under Chapter 11 of title 11 of the United States Code (as amended, the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York. The Debtors’ Chapter 11 bankruptcy cases are being jointly administered under Case No. 12-12020 (MG).

4. The Debtors continue to operate their businesses and manage their affairs as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

5. Iron Mountain is a Delaware corporation engaged in the business of, *inter alia*, storing business records and providing services for the removal and secure destruction of records for entities such as the Debtors.

6. Prior to the Petition Date, Iron Mountain and certain of the Debtors entered into contracts for records management services.

7. On May 14, 2012, the Debtors filed *Debtors' Motion Pursuant to 11 U.S.C. §§ 105, 363(b), (f), and (m), 365 and 1123, and Fed. R. Bankr. P. 2002, 6004, 6006, and 9014 for Orders: (A)(I) Authorizing and Approving Sale Procedures, Including Break-Up Fee and Expense Reimbursement; (II) Scheduling Bid Deadline and Sale Hearing; (III) Approving Form and Manner of Notice Thereof; and (IV) Granting Related Relief and (B)(I) Authorizing the Sale of Certain Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (II) Authorizing and Approving Asset Purchase Agreements Thereto; (III) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto; and (IV) Granting Related Relief* [Docket # 61] (the “Sale Procedures Motion”). Pursuant to this Sale Procedures Motion, the Debtor sought, among other things, the assumption and assignment of certain executory contracts and unexpired leases.

8. In furtherance of the Sale Procedures Motion, on July 26, 2012, the Debtors’ filed the Notice, which lists forty-six (46) “contracts” (the “Contracts”) with Iron Mountain and cure amounts as follows:

Debtor Entity	Contract Description	Cure Amount: Pre-Petition Obligations
GMAC Mortgage Corporation	Master Agreement for back-up data tape storage and retrieval services	\$0.00
Residential Funding Corporation	Sow #1 for Global relocation Services in Detroit, MI	\$0.00
GMAC Mortgage, LLC	Sow #2 for client branded solutions for Shelton, CT	\$0.00
GMAC Mortgage, LLC	SOW #3 for GHS in San Ramon, CA	\$0.00
GMAC Mortgage, LLC	SOW #4 for GHS in Troy, MI	\$0.00
GMAC Mortgage, LLC	SOW #5 for GHS in Mission Hills, CA	\$0.00
GMAC Mortgage, LLC	SOW #6 for GHS Koenig and Strey in Wilmette, IL	\$0.00
GMAC Mortgage, LLC	SOW #7 for GHS Warren, NJ	\$0.00
GMAC Mortgage, LLC	SOW #8 for GMAC-CSC in West Hartford, CT	\$0.00
GMAC Mortgage, LLC	SOW #9 for Global relocation Services in Houston, TX	\$0.00
GMAC Mortgage, LLC	SOW #10 for GMACM - Retail West in Monterey, CA	\$0.00
GMAC Mortgage, LLC	SOW # 11 for GHS Gloria Neilson in Princeton, NJ	\$0.00
GMAC Mortgage, LLC	SOW # 12 for GHS in Middletown, NJ	\$0.00
GMAC Mortgage, LLC	SOW # 13 for Ditech in Costa Mesa, CA	\$0.00

GMAC Mortgage, LLC	SOW # 15 for GHS in Woodridge, IL	\$0.00
GMAC Mortgage, LLC	SOW # 16 for GHS REal Estate in Oakbrook, IL	\$0.00
GMAC Mortgage, LLC	SOW # 17 for GHS Pac Union Data Center in San Francisco, CA	\$0.00
GMAC Mortgage, LLC	SOW # 18 for GHS Real Estate for PAC Union in Danville, CA	\$0.00
GMAC Mortgage, LLC	SOW #19 for GHS PAC Union in Danville, CA	\$0.00
GMAC Mortgage, LLC	SOW # 20 for GHS PAC Union in Walnut Creek, CA	\$0.00
GMAC Mortgage, LLC	SOW #21 for GHS PAC Union in Orinda, CA	\$0.00
GMAC Mortgage, LLC	SOW # 22 for GHS Pac Union in Walnut Creek, CA	\$0.00
GMAC Mortgage, LLC	SOW # 23 for GHS PAC Union in Oakland, CA	\$0.00
GMAC Mortgage, LLC	SOW # 24 for GHS PAC Union in San Francisco, CA	\$0.00
GMAC Mortgage, LLC	SOW # 25 for GHS PAC Union in San Francisco	\$0.00
GMAC Mortgage, LLC	SOW # 26 for GHS PAC Union in San FRancisco, CA	\$0.00
GMAC Mortgage, LLC	SOW # 27 for GHS PAC Union in San Francisco, CA	\$0.00
GMAC Mortgage, LLC	SOW # 28 for GHS PAC Union in Santa Rosa, CA	\$0.00
GMAC Mortgage, LLC	SOW # 29 for GHS PAC Union for Sonoma, CA	\$0.00
GMAC Mortgage, LLC	SOW # 30 for GHS PAC Union in Belvedere, CA	\$0.00
GMAC Mortgage, LLC	SOW # 31 for GHS PAC Union in St. Helena, CA	\$0.00
GMAC Mortgage, LLC	SOW #32 for GHS PAC Union in Greenbrae, CA	\$0.00
GMAC Mortgage, LLC	SOW # 33 for GHS PAC Union in San Francisco, CA	\$0.00
GMAC Mortgage, LLC	Amendment # 1 added tiered pricing and created a process where GMACM affiliates may order services under this agreement	\$0.00
GMAC Mortgage Corporation	SOW A-34 Ready Box Storage for Ditech Costa Mesa	\$0.00
GMAC Mortgage, LLC	Third Party Downloader Agreement	\$0.00
Homecomings Financial Network, Inc.	Amendment to Customer Agreement dated 6/15/2005	\$0.00
Residential Funding Corporation	Amendment to Customer Agreement, dated March 28, 2003	\$0.00
GMAC-RFC	Agreement to comply information disposal requirements under FACTA.	\$0.00
GMAC Mortgage, LLC	Three Party Master Escrow Service Agreement	\$0.00
GMAC Mortgage, LLC	master agreement for software escrow and verification services	\$0.00
GMAC Mortgage, LLC	Two Party Master Escrow Service Agreement	\$0.00
GMAC-RFC	Schedule A to Customer Agreement	\$0.00
Residential Funding Corporation	Affiliate/Multiple Location Add-On Agreement to Records Management and Service Agreement	\$0.00
Residential Funding Corporation	Affiliate Assignment to Records Management and Service Agreement	\$0.00
GMAC-RFC	Schedule A to Customer Agreement	\$0.00

Thus, according to the Notice, the Debtors' assert that the cure amounts associated with the Contracts total \$0.00.

9. According to Iron Mountain's books and records, Iron Mountain and certain of the Debtors are parties to contracts relating to approximately twenty (20) accounts associated therewith (the "Accounts"). The identified Accounts, as well as the current pre- and post-petition amounts outstanding thereunder, are as follows:

<u>Customer</u>	<u>Account #</u>	<u>Pre-Petition Outstanding</u>	<u>Post-Petition Outstanding</u>
Residential Funding Company LLC	03134.0M404S	\$0.00	\$14,010.40
Residential Funding Company	04221.0V382K	\$0.00	\$2,152.85
Equity Investment	04426.0F4192	\$0.00	\$142.00

DITECH.COM	01222.0FX566	\$0.00	\$16,839.09
DITECHCOM	55113.551900	\$0.00	\$1,283.35
GMAC RFC	03132.010850	\$645.05	\$617.67
GMAC RFC	33115.051099	\$78,961.03	\$67,885.93
GMAC Mortgage Corporation	33115.051794	\$2,541.56	\$893.40
GMAC Mortgage	44113.001288	\$1,562.90	\$2,175.07
GMAC Commercial Mortgage	44142.021417	\$465.46	\$0.00
GMAC RFC	03134.0MN128	\$401.86	\$0.00
GMAC / RFC	01222.00L025	\$0.00	\$1,922.08
GMAC Mortgage	02211.0PGMA2	\$118,969.59	\$328,442.00
GMAC Mortgage	01332.0SYGMA	\$0.00	\$46,030.74
GMAC Mortgage Corp.	02211.00P195	\$0.00	\$3,063.11
GMAC Commercial Mortgage	04411.00T629	\$901.25	\$507.50
GMAC Residential Funding	01146.BW707	\$0.00	\$1,818.74
GMAC-RFC/BCB	03134.0MN224	\$0.00	\$1,567.09
GMAC RESCAP	04322.0D1505	\$0.00	\$1,448.68
GMAC MORTGAGE CORP.	02242.0CYGMC	\$0.00	\$972.84
	TOTALS	\$204,448.70	\$491,772.54

10. Based upon the information contained in the Notice, Iron Mountain is unable to determine which of the Contracts relate to which of the Accounts as the Notice lacks sufficient information to allow Iron Mountain to properly identify the Accounts that may be involved in the sale to Nationstar Mortgage LLC.

11. Additionally, Iron Mountain submits that the cure amounts for the Contracts sought to be assumed and assigned could not be \$0.00 as scheduled by the Debtor, as the outstanding balances on the Accounts total \$696,221.24 (*i.e.*, prepetition: \$204,448.70; postpetition: \$491,772.54). Again, Iron Mountain lacks sufficient information to properly identify which of the Contracts are associated with which of the Accounts and to determine

whether this cure amount is correct, but in any event asserts that the Debtors' schedule cure amount totaling \$0.00 could not be correct.

12. Furthermore, while the Debtors' proposed cure amounts for the Contracts appears to only include pre-petition amounts due, section 365(b) of the Bankruptcy Code requires that the Debtors cure all monetary defaults before an executory contract can be assumed and assigned. *See* 11 U.S.C. § 365(b)(1)(A). Therefore, as Iron Mountain is providing post-petition services to the Debtors, any cure amount for the Contracts must include all outstanding post-petition charges as well.

13. Accordingly, Iron Mountain submits this Limited Objection to preserve its right to require that the proposed assumption and assignment of any of the Accounts complies with Section 365 of the Bankruptcy Code, or is otherwise acceptable to Iron Mountain.

14. Iron Mountain reserves the right to amend and supplement this Limited Objection if and when more information becomes available, and to include additional contracts, accounts and/or amounts that may become due.

WHEREFORE, Iron Mountain Information Management, Inc. respectfully (i) objects to the proposed assumption and assignment of the Contracts and/or Accounts in connection with the Sale Procedures Motion and the sale to Nationstar Mortgage LLC to the extent that such assumption and assignment does not satisfy the requirements of Section 365 of the Bankruptcy Code; (ii) expressly reserves its rights under Section 365 of the Bankruptcy Code and any other pertinent provisions of the Bankruptcy Code and the Bankruptcy Rules with respect to the assumption and assignment of the Contracts and/or Accounts and the cure amounts associated therewith and adequate assurances of future performance by the assignee; (iii) expressly reserves its warehouseman's liens and other rights under the Uniform Commercial Code; and (iv)

requests that this Court grant such other relief as is just and proper.

Dated: Boston, Massachusetts
September 28, 2012

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